



Title: I, Payroll/Personnel Manual

Chapter: 28, Section 2, Tax Formulas (TAXES)

Bulletin: TAXES 04-22, Ohio Cities Income Tax Withholding

Date: July 30, 2004

To: Holders of TAXES (State of Ohio only)
Personnel User Groups
T&A Contact Points in Ohio

Beginning with wages paid for Pay Period 15, the National Finance Center (NFC) will make the following changes to Ohio cities income tax withholdings:

- The nontaxable flexible spending accounts (health care and dependent care) deductions will be tax deferred for city tax purposes for all cities in Ohio.
- The tax rate for the withholding of city income tax for Akron, Ohio, will increase from 2 percent to 2.25 percent.

No action on the part of the employee or the personnel office is necessary.

To view the updated tax formula, go to the NFC Home Page (www.nfc.usda.gov) and click **Pubs & Forms**. Then on the Pubs & Forms page left-hand menu, click **Tax Formulas** and select the appropriate state from the map provided. Changes to the tax formula are identified by "►◄".

For questions about NFC processing, contact the Payroll Operations Branch at **504-255-4630**. Please refer questions about system access and other system-related issues to Customer Support at **504-255-5230** or via e-mail at customer.support@usda.gov.

for RANDOLPH H. GONZALES, Acting Director
Government Employees Services Division

Ohio Cities Income Tax Information

Withholding Formula ►(Effective Pay Period 15, 2004)◄

1. Subtract the nontaxable biweekly Federal Health Benefits Plan payment ►(includes flexible spending account - health care and dependent care deductions)◄ from the gross biweekly wages.
2. Multiply the adjusted gross biweekly wages by 26 to obtain the annual wages.
3. Apply the annual wages to the following guideline to determine the annual Ohio city income tax withholdings.

Compute the City Income Tax Withholding For:	State/City Codes	By Multiplying the Annual Wages By the Following Percentage:	City Tax Status (Duty Station = DS Residence=R)
Akron	39/0070	►2.25◄	DS, R
Brecksville	39/0970	2.00	DS, R
Brook Park	39/1050	2.00	DS
Canton	39/1320	2.00	DS, R
Cincinnati	39/1610	2.10	DS, R
Cleveland	39/1680	2.00	DS, R
Columbus	39/1800	2.00	DS, R
Dayton	39/2090	2.25	DS, R
Fairview Park	39/2560	1.50	DS
Heath	39/3428	1.50	DS, R
Independence (<i>voluntary</i>)	39/3670	2.00	
Kettering	39/3895	1.75	DS, R
Mansfield	39/4680	1.75	DS, R
Maumee (<i>voluntary</i>)	39/4840	1.50	
Middleburg Hgts (<i>voluntary</i>)	39/4970	1.75	
Newark	39/5570	1.75	DS
Oberlin	39/6140	1.90	DS, R
Sharonville	39/7450	1.50	DS, R
Springfield	39/7800	2.00	DS, R
Toledo	39/8120	2.25	DS, R
Whitehall	39/8940	2.00	DS, R
Youngstown	39/9230	2.75	DS, R

Note: City tax is mandatory unless otherwise indicated.

4. Divide the annual Ohio city income tax withholding by 26 to obtain the biweekly Ohio city income tax withholding.